



Request for City Council Committee Action from the Department of

Date: April 29, 2014

To: Lisa Goodman, Chair, Community Development and Regulatory Services Committee

Subject: Approval of the addition of \$15,966.08 to cover program and administrative costs for loans originated as part of the Rehab Support Program – Emergency Relief Fund

Recommendation: Approve an amendment to the Greater Metropolitan Housing Corporation contract to add \$15,966.08 to cover the remaining amount needed for loans originated under the Rehab Support Program – Emergency Relief Fund.

Previous Directives: The City Council originally approved the funding for this program on November 8, 2011.

Department Information

Prepared by: Mark S. Anderson, Senior Contract Management Specialist Approved by: Charles T. Lutz, Deputy CPED Director Presenter in Committee: Mark S. Anderson

Financial Impact

This cost is provided for under the Miscellaneous – Housing Programs in the 2014 CPED budget.

Community Impact

- Other: This action does not affect City Goals.

Supporting Information

On November 18, 2011 the City Council approved \$240,000 for the Rehab Support Program – Emergency Relief Fund (RSP). That program was administered as part of a contract with Greater Metropolitan Housing Program (GMHC). Under the Emergency Relief Fund phase of the RSP, the City provided the financing needed to allow homeowners to repair roofs that were damaged by the north Minneapolis tornado. By repairing the damaged roofs, the homes were stabilized so they would not incur additional damage from rain coming into the home. The homeowner receiving this financing could only access these funds if they had no other source to cover the cost of the roof repairs.

The program was successful and stabilized 30 homes; however, the funds needed for the 30 homes exceeded the amount available in the program by \$15,966.08. Applications are no longer being accepted for this phase of the program. Staff is requesting approval to add the \$15,966.08 to the GMHC contract number C-24841 to cover the final program and administrative costs for the 30 loans originated under the program.